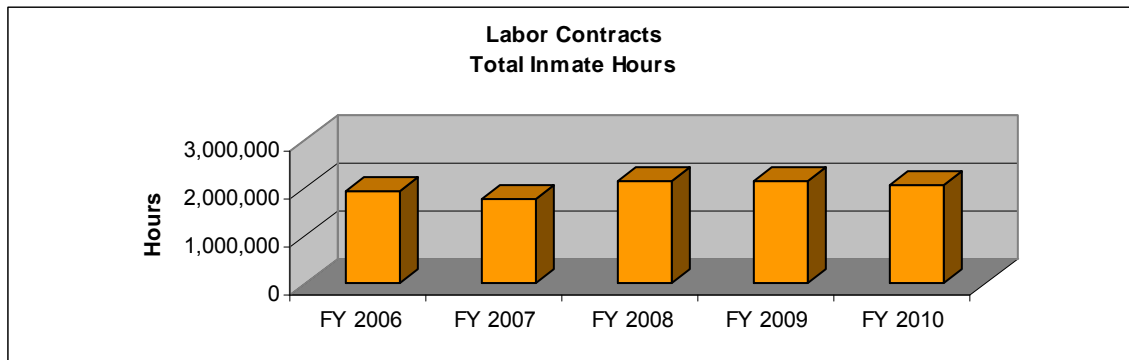


The Labor Contract Division includes 4 staff and employs 1,042 inmates. LCD's primary function falls into four areas. First, seek out new partnerships that will employ inmates. Secondly, the Labor Contract Division has responsibility to conduct periodic compliance surveys with each partnership, and to insure that security procedures are being followed. Third, handle day-to-day operations that interface between the labor partner and the prison complex staff. This includes security issues, staffing issues, facility problems, and helping to improve the partner's operation. Fourth, manage the hiring and management process of the IPS personnel that provide security and in some cases transportation to the worksite.

Partnerships include semi-truck and trailer refurbishing, agricultural, business to business call centers, trailer manufacturing, modular building construction, auto detailing, and food processing. Prison labor is well-suited for high volume, repetitive work that requires an understanding of current quality processes and high levels of customer service. The majority of the positions are considered unskilled labor, and are not easily filled by the private sector workforce.



### *Douglas and Perryville Sewing Shops*

ACI has two sewing shops, one at the Prison Complex in Douglas, and a second shop at the Perryville Complex in Goodyear, Arizona. The shops focus on clothing products for the Arizona Department of Corrections and the Private Prisons that house Arizona inmates. The sewing shops provide jobs for 90 male and 27 female inmates. During the twelve months in this fiscal year, the shops produced 207,000 inmate briefs; 174,600 T-Shirts, and over 90,000 pants. In addition to inmate clothing, sheets, pillow cases, wash cloths and towels were produced. Over 60,000 towels were delivered to Arizona Prisons for inmate use. The Perryville sewing operation will be moving to a larger facility in the Spring of 2011, which will employ 15-20 more female inmates. During the last month of the fiscal year, a third Sewing Shop was opened to compliment the current shops by producing belts, laundry bags, pillow cases, sheets and towels.

